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Beyond Grantmaking

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While grantmaking is at the heart of philanthropy, it is complemented by a range of other activities without which many grants would have far less impact.

By way of example, consider the Hewlett Foundation's New Constituencies for the Environment initiative, designed to support communities of color and economically disadvantaged communities in California's Central Valley and around the Los Angeles ports working locally to reduce greenhouse gas pollution and improve air quality. Making the grants was just the most visible part of this effort. In designing and implementing the initiative, program officers also:



- Learned the scientific and technological issues related to air pollution, the formal structure of the agencies that make decisions affecting regional air quality, and the realpolitik of the decisionmaking process.
- Researched which nonprofit organizations were able to carry out the various parts of the necessary strategies, which could develop the necessary capacity, and which might have to be formed or take broader action to play a required role.
- Uncovered potential allies and opponents at both the local and state levels.

Most of this learning took place in the field, in conversations with citizens, activists, and other stakeholders. And once the initiative was launched, program staff were constantly assisting grantees internally and making connections with other organizations and technical consultants. The staff needed to understand, in real time, what the grantees needed.

A strategic framework for the initiative helped the program officers make these connections and also decide where they needed assistance to strengthen their own capacity. All the while, they meticulously had to observe the legal restric-

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tions on lobbying by private foundations. In many of these activities, the Foundation was itself engaged in managing networks among its grantees and other stakeholders.

This summary reveals the range of activities that Hewlett's program officers undertook to achieve the goals of the initiative. In a broader sense, it also highlights the importance of capturing and disseminating institutional knowledge, collaborating with other funders, and convening meetings of various stakeholders.

Developing and Disseminating Knowledge

The past decade sparked interest in knowledge as a tool of philanthropy. According to the Charles and Helen Schwab Foundation, knowledge management is the process through which organizations generate value from their intellectual and knowledge-based assets.

Of course, a foundation's ability to contribute knowledge to the field depends on its having that knowledge in the first place. A number of foundations employ "knowledge officers" dedicated to capturing and organizing internal knowledge and disseminating it externally. Tom Kern, director of knowledge services at the Annie E. Casey Foundation, observed that foundations have a great deal of tacit knowledge—which resides in the heads of founders, trustees, and staff members but generally isn't written down. When these individuals leave, their knowledge leaves with them. And even the large amount of knowledge that resides in written files often is not organized or cataloged to make it accessible and reusable.

An article in the McKinsey Quarterly notes that "many philanthropists, fearing that a dollar spent in-



ternally is a dollar wasted, have neither the organization nor the systems to manage their knowledge properly." Building and maintaining such systems certainly can be costly and time consuming. Like every other aspect of philanthropic "infrastructure," it is justified only to the extent that it increases the likelihood of impact. But I suspect that foundations are significantly underinvested in this area.

In 2001, the Annie E. Casey Foundation began a concerted effort to better manage its knowledge. Some of its program officers, who were experts on particular issues such as juvenile justice and child welfare, were about to lead cross-functional teams in several cities. It became evident that only a fraction of the foundation's tacit knowledge had been captured in an accessible form. Staff members were spending substantial amounts of time looking for information, and experts were constantly answering the same basic questions.

In response, the foundation began to develop tools to help the staff capture their knowledge efficiently. It created simple templates for recording information from site visits—information that previously had been captured only in program officers' notes, if at all. The foundation eventually created a formal process to manage its knowledge resources, including what should be captured, who should be responsible for codifying it, how it should be maintained and disseminated, and to whom it should be made available.



Disseminating Knowledge Externally

Some knowledge that foundations gather is maintained only for internal use. But much of it also can be valuable to grantees, policymakers, and other funders. While the social return on a grant is limited by its size, the value of the knowledge that springs from a foundation's activities can be multiplied many times over if good systems are in place to disseminate it.

For example, the Robert Wood Johnson Foundation regularly publishes reports describing the reasons it made a grant, the problems addressed, the objectives and strategies, the results, and lessons for the field. As one staff member there noted, "The people involved in the projects are surprisingly candid about their work and the evaluation of their projects." The foundation also maintains other online publications, fact sheets, interactive maps (for example, on tobacco settlement revenues), Webcasts and podcasts, third-party evaluation reports on projects and programs, primers, and tool kits.

In its work to "help vulnerable children and families succeed," the Annie E. Casey Foundation maintains an online knowledge center that includes data on key indicators of child, family, and community well-being; evaluations, case studies, and information about lessons learned; and emerging practices. The foundation's goal here is to "provide advocates, policymakers, practitioners, the media, researchers, and community members with a range of Foundation resources developed either by Casey or one of our grantees."

And disseminating knowledge is not the exclusive prerogative of large national foundations. In the belief that "sharing lessons learned in practice is crucial to creating an environment that will encourage discussion and advance the field," the Marguerite Casey

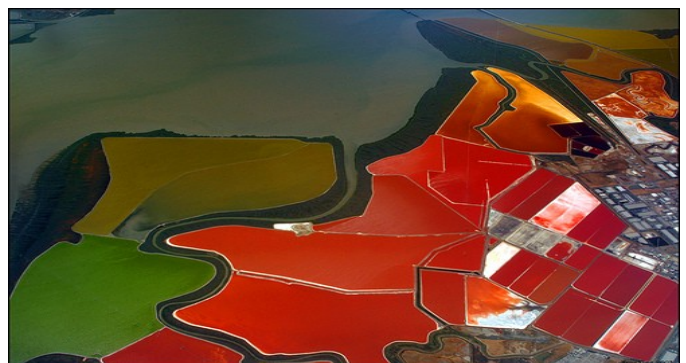
Foundation publishes reports related to its mission of improving the lives of low-income families. The Skoll Foundation maintains an online "community" related to social entrepreneurship. The Barr Foundation publishes information relevant to its mission of enhancing the quality of life for Boston residents.

Finally, knowledge is shared through so-called affinity groups of grantmakers with common interests. For example, this professional association, the Consultative Group on Biological Diversity, and groups including Grantmakers in the Arts, Grantmakers for Education, and the Funders' Network for Smart Growth and Livable Communities all share information to improve their members' work.

Collaborating with Other Funders

Philanthropists operate in a social and economic realm with many other participants—grantee organizations, governments, businesses, and other philanthropists. Even the paradigmatic philanthropic activity, grantmaking, is a collaboration with the grantee and often with other funders. Just being aware of the presence of other funders in your field creates opportunities to coordinate resources to achieve common ends. And sometimes collaboration can significantly increase the participants' impact on social problems. Funders can work together to generate better ideas and build broader constituencies, as well as increase the amount of money available for common goals.

Since philanthropists are essentially investors, their most basic form of collaboration is pooling money to make greater things happen than any single funder could accomplish. Collaboration among foundations has been at the heart of major philanthropic efforts, from the Green Revolution to protecting the Great Bear Rainforest to restoring the salt ponds in San Francisco Bay, the latter two examples being collaborations in which Hewlett has taken part.



Philanthropists also join together to create intermediary organizations that may engage in grantmaking and other activities. The Energy Foundation, launched in 1990 by the Rockefeller and MacArthur foundations and The Pew Charitable Trusts, develops strategies to improve energy efficiency in the United States and China. In addition to making grants, it provides technical assistance to governments. Today the Energy Foundation is supported by nine different foundations and an increasing number of individual philanthropists. Its staff serves as virtual program officers for its funders, providing a degree of expertise that would be difficult and expensive for even large foundations to replicate.

Of course, collaboration is not without its pitfalls. There are inevitable up-front costs of time and effort spent communicating and making decisions together. The process can be frustrating and a beneficial outcome is hardly assured. At the end of the day, the extra effort is justified only if it accelerates progress toward your philanthropic goals.

For all the potential benefits of collaborating, it is worth considering the costs and how they may be mitigated:

- **Group decision making.** Decisionmaking by consensus is inefficient. The time consumed is a function of the number of collaborating funders, the number of staff members involved, the participants' willingness to compromise on matters of procedure and substance, and the group's structure and leadership. The greater the number of collaborators, the greater the need to attend to the group's internal structure and accord some deference to a steering committee or even a lead fun-



der. Of course, agreeing on procedure itself takes time, but has great potential payoff; without agreement, procedural issues tend to be recycled ad nauseam.

- **Delegation of tasks.** Grantmaking involves a number of labor-intensive activities, including due diligence, monitoring, and evaluation. Avoiding duplication of these efforts can save both the funders and grantees time and money. To delegate any aspect of its grantmaking responsibilities, a funder must have confidence in its peers—confidence that ultimately can be developed only through ongoing professional relationships.
- **Fairness to grantees.** Collaborative grantmaking seeks to further the missions of both funders and their grantees. But potential grantees may feel at greater risk when their selection depends on a collective decision by several funders, increasing the chances of an all-or-nothing outcome. This danger cannot be discounted, but in my experience, funders are protective of their autonomy and tend to exercise independent judgment on basic issues such as strategy and the selection of grantees.
- **Organizational cultures.** The internal cultures of the participating institutions can have dramatic effects on collaboration. The effects are asymmetric: pathologies detract more from the common venture than good internal practices contribute to it. In the end, only experience with individuals and institutions can determine who is a good collaborator and who is not. As attractive as the potential impact may be, experience sometimes teaches that the game with some players is just too frustrating to be worth the candle.



Convening Grantees and Other Stakeholders

Foundations have tremendous convening power. When foundation staff call a meeting, attendance is high not only because of their intelligence, charm, and wit, but also because people are attracted to money, to institutions with strong reputations, and sometimes to places where people from different perspectives can sit down together and resolve problems. When a philanthropist calls a meeting, people generally come, and they usually bring their best behavior.

In ideal circumstances, funders, grantees, policymakers, and other stakeholders can add real value by sharing best practices, coordinating programs, developing new strategies, building trust, or reconciling warring parties. Some examples:

- The Marguerite Casey Foundation regularly convenes grantees to foster communication and collaboration. Two of its grantees, Latino Health Access in Santa Ana, California, and the National Association of Latino Elected Officials, launched a collaborative effort to increase voter-education and naturalization resources in Santa Ana's Latino communities—a project that neither alone could have done as effectively.
- The Charles Stewart Mott Foundation also routinely gathers grantees pursuing common issues. In one case, it invited a group of workforce development organizations to share effective and ineffective approaches to helping workers stay in their jobs. The program officer involved noted that the grantees found the interaction so valuable that they remained in these learning communities even after the grant ran out.

- In 1997 in the San Francisco Bay Area, the Peninsula Community Foundation, the Sobrato Family Foundation, and the Charles and Helen Schwab Foundation together created the Organizational Capacity Grants Initiative, through which they invited a number of Bay Area not-for-profit organizations to create a learning community to improve grantees' organizational effectiveness.

"We problem solved together; we gave feedback; we listened to one another," said Alexa Culwell, then CEO of the Schwab Foundation. "We used our connections and networks, and we shared knowledge." Culwell reported improvements in most of the participants' capacity and effectiveness: "The concept of a learning community . . . enabled us to co-design the initiative from start to finish, involving all twenty-one partners in key decisions. A learning community levels the playing field because it brings everyone to the table to discuss issues of mutual importance, offering unique perspectives and insights."

These are excellent examples of funders making productive use of their abilities to convene meetings of various stakeholders. That said, most meetings waste a good deal of time. Few are carefully designed or brilliantly run. And meaningful follow-up is the exception, not the rule. For an outline of some basic principles of convening meetings, see the supplement to chapter 6 of *Money Well Spent: A Strategic Plan for Smart Philanthropy* at www.smartphilanthropy.org.

In short, philanthropists operate in a social and economic space with many other actors—grantees, other philanthropists, governments, and businesses—and the possibilities of magnifying impact through sharing knowledge and collaboration are well worth exploring. With due caution about the enervating effects of meetings and conferences that lack clear agendas, funders who form collaborative relationships can contribute to social impact if they come to the table with clarity about their own goals and a willingness to be flexible about strategies and procedures for achieving them.

** Paul Brest is president of The William and Flora Hewlett Foundation. This article is based on chapter 6 of Paul Brest and Hal Harvey, Money Well Spent: A Strategic Plan for Smart Philanthropy (New York: Bloomberg Press, 2008).*

CGBD PROGRAMS

Health and Environment

Save the Date! The Health & Environmental Funders Network (HEFN) will hold its national meeting in Washington, DC on November 15-17. Please plan to join us to engage in programming focused on the most relevant environmental health and justice issues. Additionally, HEFN will organize a “Morning on the Hill” day, to provide funders the chance to meet with Congressional and Executive Branch policy makers.

This year, HEFN has continued its funder conference call series, hosting calls on a variety of environmental health and justice issues. Topics have included: the US Environmental Protection Agency’s (EPA) Urban Waters Initiative, grantmaking at the intersection of environmental justice and reproductive justice, and the priorities of the EPA’s Office of Environmental Justice.



HEFN has a number of calls in development. On May 4, HEFN will co-sponsor a funder call discussing challenges to the California Environmental Quality Act. A second call on May 7, will provide funders a briefing on the Safe Chemicals Act (Senate) / Toxic Chemicals Safety Act (House), legislation aimed at significantly reforming the Toxic Substances Control Act (TSCA).

Climate and Energy

The Climate and Energy Funders Group held its 2010 Annual Meeting in Denver, April 26-28. The Annual Meeting kicked off with a series of high level speakers, including Governor Bill Ritter and Sen. Lindsey



Graham, as well as a panel discussing the federal policy landscape. The meeting program was planned around the anticipated release of the “tri partisan” bill from Kerry/Graham/Lieberman, which was upended by the immigration debate. A federal policy from the Senate is now indefinitely delayed. This delay led to an interesting dynamic and set of discussions centered on why climate and clean energy is failing to gain traction. Our meeting concluded with a funder only session that featured a candid discussion of lessons learned over the last year and what that means for our strategy going forward.

Please also Save the Date for a Southeast Funders Meeting to be held on either July 22 or 23. This meeting will bring together funders with an interest in the region to examine policy opportunities in the coming year and how to make progress in this important and challenging region.

Gulf of California

In February, CGBD worked with the Packard Foundation to organize a workshop at the Taaffe House





focused on the development of a marine protected area (MPA) monitoring framework for the Gulf of California region. Participants included representatives from Mexican government agencies, scientists, non-profit organizations, and international MPA experts.

A subset of the GOC funders group met together in New Orleans during the CGBD Marines annual meeting to update each other on their foundations' work, and to discuss specific projects and initiatives. Several funders also attended the 15th anniversary celebration in Mexico City in early April for FMCN (the Mexican Fund for the Conservation of Nature), which manages several funds and endowments that support Gulf of California conservation.

Coming up in May, the GOC funders and CGBD are collaboratively planning for a workshop in Mazatlan with NGOs to discuss environmental threats in Sinaloa and Nayarit. Soon after, several Gulf of California funders will gather in La Paz for a follow-up workshop on MPA monitoring. In June, several Gulf of California funders plan to attend the Waterkeeper Alliance's annual international conference in La Paz, BCS – the first such conference ever held outside the



United States. Several GOC funders support one or more of the six Waterkeeper organizations that are active in the Baja Peninsula.

Marine Conservation

In March, the members of the Marine Conservation Program convened a conference call on enforcement tools and technologies for ocean. On the call, Peter Knights of Wild Aid and Dr. George Amato of the American Museum of Natural History made presentations on a range of tools and applications for enforcement on the ground, from satellite vessel monitoring systems, sniffer dogs, and informant networks, to social marketing, training for enforcement staff and prosecutors, and DNA barcoding.



The threat to marine life from ocean acidification (OA) was the topic of the group's conference call in April. Thirty two individuals, representing 24 grant-making institutions, participated in the call. Participants shared what ocean acidification work they are currently funding, in addition to what they see as potential opportunities to learn more about the issue and prioritize/coordinate efforts.

On the call, participants made several short-term decisions to move the conversation forward:

- Commence planning a conference to bring together grantmakers, NGOs, scientists, and government officials. (to perhaps include pre-work around science, communications, and policy/solutions set);
- Explore creating a communications and message research project on ocean acidification;

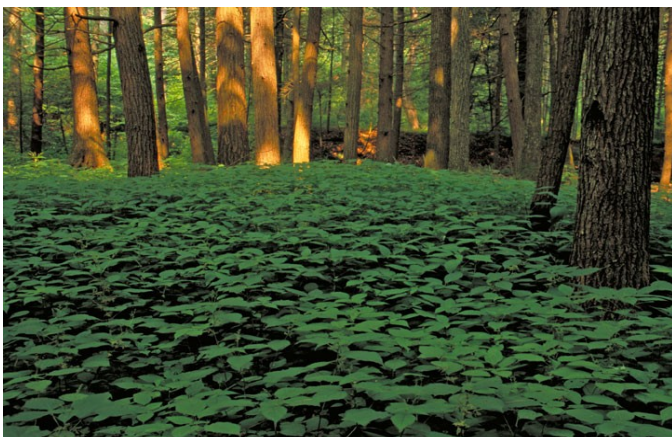
- Schedule more conference calls for marine grantmakers to continue learning about the issue; and
- Utilize the CGBD website as a centralized database for OA documents.

The Marine Conservation Program convened its annual meeting in New Orleans on March 15-18; over 30 grantmakers were in attendance. The program covered a wide range of marine conservation issues, including:

- US Ocean Policy Progress, Opportunities and Implications beyond Our Borders
- Sustainable Financing for Marine Conservation
- Climate Change and Oceans – Acidification and Adaptation
- Funder Tools for Success

In addition, meeting participants participated in a screening of MacGillivray Freeman Film, “Hurricane on the Bayou” at the New Orleans Audubon Aquarium. Finally, program members toured Plaquemines Parish and learned about efforts to adapt to rapid losses in wetlands, the threat of oil and gas development in the region, and the stressors on shrimp and oyster stocks.

Early this year, the Marine Conservation Program conducted its annual member survey; this was the seventh year the survey has been conducted. The results of the annual survey: provide information on the strategies, issues and level of grantmaking for each of the Marine Working Group members; allow funders to compare their marine grantmaking programs with other leading marine funders; and assist Working Group members as they look for potential partners in collaborative funding. Survey results will be released in May, along with a conference call to further discuss the findings.



Land & Freshwater Conservation

In early February, the public lands subgroup of the Land & Freshwater Conservation Program convened its annual policy briefing in Washington, DC. The program began with a look at public lands in Congress and the Administration, with Congressional staff from the House of Representatives and the Senate joining officials from the US Department of the Interior and US Department of Agriculture to provide the update.

The program then turned to key public lands policy and management issues likely to be important in the coming year, beginning with a focus on energy policy and management. Discussions of development of fossil fuels, renewable energy, and biomass were all highlighted. These program elements were followed by in-depth roundtable discussions on other key issues, including US Forest Service Roadless Areas, Congressionally designated wilderness, fire and logging policies, and the National Forest Management Act. Finally, the program convened with presentations and discussions on the America’s Great Outdoors program, the Land & Water Conservation Fund, the National Landscape Conservation System, and reform of the 1872 Mining Law.

During the first four months of 2010, the Land & Freshwater Conservation Program continued to convene conference calls on a wide range of terrestrial and freshwater conservation issues. Conference call topics included:

- new program directions at the Forest Stewardship Council US;
- reauthorization of the federal Clean Water Act;



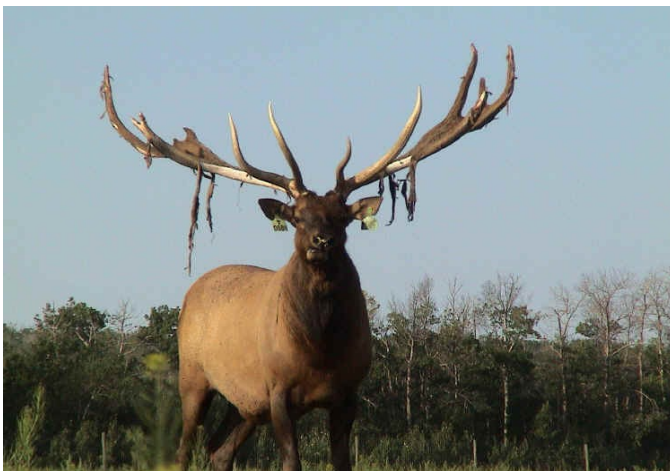
- stormwater management under the federal Clean Water Act; and
- the America's Great Outdoors program.

In May, the program will convene two conference calls each on the topics of (1) fire ecology and forest management and (2) the potential for the development of a shared national freshwater policy and management agenda. The group will also host a conference call on invasive species and climate change.

Conservation Science

In 2009, the Hewlett and Wilburforce Foundations commissioned a report to initiate discussions on policies that will promote climate adaptation in the U.S. The objective of the consultancy was to conduct a strategic assessment of opportunities associated with climate adaptation policy. This includes:

- A survey of developing actions at the state, western regional, and federal levels;
- A description of important examples of how federal land management agencies have begun to modify their land use management plans;



- What federal agencies are pursuing (or planning to pursue) on climate adaptation;
- Identification of opportunities that exist in US Department of the Interior and US Department of Agriculture as new appointees work to integrate adaptation strategies into policy initiatives in their departments;
- What states are pursuing climate adaptation/wildlife corridor strategies; and
- Recommendations on where key opportunities for policy change exist.

In late March, members of the Conservation Science Program participated in a conference call briefing on the report. In addition to the report discussion, John Nordgren of the Kresge Foundation provided an update on initial outcomes and potential opportunities



arising from and early February meeting of foundations with the White House Council on Environmental Quality (CEQ) Task Force on Climate Change Adaptation.

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